

and the melody is wonderful. But really when you get down to it, you find it is not so practical.

Secretary BELIEU. Not in all cases, no, sir.

Mr. HÉBERT. That is what I mean.

So where is the line of discretion? Is it the local commander, under 60-2, or is it directed from a central headquarters?

Secretary BELIEU. I can't answer specifically as to laundries on the thing. It should be on the basis—

Mr. HÉBERT. Well, the overall directive: Is it elastic enough?

Secretary BELIEU. I believe it is now. I have not had any case come to my mind where it hasn't been, as I indicated.

Mr. HARDY. If the chairman would permit.

Mr. HÉBERT. Yes.

Mr. HARDY. This is an observation in connection with it. I have had a good bit of experience in times past on matters of this nature, and I never have been able to find out that any local commander had the authority to make any change unless he got the approval of the chief of the bureau. And I think they have generally had to get it from the Secretary's office.

Secretary BELIEU. I am informed it is all the way, to the top, sir. I wasn't familiar with that particular.

Admiral BEARDSLEY. All these reviews, Mr. Chairman—they all have to come up and be reviewed all the way up.

So it isn't within the discretion of the local commander, you are correct.

Mr. HÉBERT. We are not being critical. And we don't want you to respond beyond your knowledge. We merely want to find out what the facts are.

It does have to go topside?

Admiral BEARDSLEY. Yes.

Mr. HÉBERT. Now, Mr. Hardy, any questions?

Mr. HARDY. Yes.

Mr. Secretary, I am interested in your general interpretation of 60-2.

In times past I have encountered interpretations which seem to say that we will not maintain any in-house capability for the performance of a service which can be procured from outside.

Now, that, it seems to me, is a little bit of the reverse of the position which you have taken. I hope I am properly interpreting your position.

Secretary BELIEU. I think you are sir. I have also had people approach me with this interpretation of it, sir.

Mr. HARDY. I have found that interpretation in some quarters in the Navy in times past. And I wanted to be sure that we have a general interpretation over there now, and just what it is.

Mr. HÉBERT. That is very important, I think.

Mr. HARDY. Just let us pin this right down a little bit.

Secretary BELIEU. Right.

Mr. HARDY. Even in your own policy statement, beginning at the bottom of page 1 and at the top of page 2, you list three categories there, which you say are not in conflict with Bureau of the Budget Bulletin 60-2.